



AUSTRALIAN RAILWAY HISTORICAL SOCIETY New South Wales Division

(ACN 000 538 803)

ANNUAL REPORT 2009-2010 Notice of Annual General Meeting

Notice is given that the 2009-2010 Annual General Meeting of the Australian Railway Historical Society, New South Wales Division, will be held in the Mitchell Room on the 1st floor of the Sydney Mechanics School of Arts, 280 Pitt St, Sydney, at 6.30pm on Wednesday 1 September 2010.

Business:

1. to receive and adopt the Income Statement for the year ended 30 April 2010 and the Balance Sheet at that date.
2. to elect members of the Council for the year 2010-2011.
3. to appoint Murray Harper as a Life Member of the Society.
4. to transact any other business that may be brought forward in accordance with the Society's Constitution.

A member entitled to attend and vote at the meeting is entitled to appoint a proxy (who need not be a member of the Society) to attend and vote in the member's absence. Clause 14 of the Society's Constitution prescribes the form of appointment of a proxy. Such forms may be obtained from the Secretary at the registered office of the Society at 67 Renwick Street, Redfern 2016 and must be lodged with him at that address on or before 30 August 2010.

By order of the Council
Grahame L Thurling
Secretary

Sydney, 12 August 2010

ANNUAL REPORT

FOR THE YEAR TO 30 APRIL 2010

AUSTRALIAN RAILWAY HISTORICAL SOCIETY

NEW SOUTH WALES DIVISION

ACN 000 538 803

67 Renwick Street Redfern NSW 2016

Newcastle Branch: PO Box 432 New Lambton NSW 2305

THE SOCIETY

The Australian Railway Historical Society had its beginnings in 1933 with the formation of the Railway Circle of Australasia. Since then it has grown to become one of the largest railway societies in the country. Autonomous Divisions exist in each state and the Australian Capital Territory, and there is a branch of the NSW Division in Newcastle. The Society's main objectives are: to promote the association of persons interested in the history and operations of railways for their mutual benefit and enjoyment; to encourage the study of Australian railways and the compilation and maintenance of authentic records; to maintain an archives collection, to produce books, periodicals, etc., of railway interest (including *Australian Railway History* and *Railway Digest*) and to arrange rail tours and excursions.

Meetings of members and their guests are held monthly in Sydney and Newcastle. These meetings usually feature a talk on a topic of railway interest, often accompanied by a program of films, DVDs or photographic slides.

The ARHS Railway Resource Centre houses the ARHS Archives and is located at 67 Renwick Street, Redfern. The bookshop is located at Rail Heritage Central, on the concourse at Central Railway Station.

OTHER DIVISIONS OF THE AUSTRALIAN RAILWAY HISTORICAL SOCIETY

Australian Capital Territory	PO Box 1615, Queanbeyan, NSW 2620
Victoria	PO Box 748, Williamstown, Vic. 3016
Queensland	Box 682, GPO Brisbane, Qld 4001
South Australia	PO Box 16, Melrose Park, SA 5039
Western Australia	PO Box 363, Bassendean, WA 6054
Tasmania	PO Box 162, Sandy Bay, Tas. 7006

AFFILIATIONS

Australian Electric Traction Association	New South Wales Rail Transport Museum
Canadian Railway Historical Association	New Zealand Railway & Locomotive Society
Irish Railway Record Society	The Rail Motor Society
Light Railway Research Society of Australia	Railway Correspondence & Travel Society (UK)
Light Rail Transit Association (UK)	Railway Society of Southern Africa
Narrow Gauge Railway Society (UK)	Royal Australian Historical Society
National Railway Historical Society (USA)	3801 Limited

COUNCIL

The Society is managed by the Council on an honorary basis. Its members during 2009-2010, and their attendances at council meetings, are set out in a table in the attached Directors' Report. General Manager Ross Verdich also attended council meetings. Spencer Ross has been attending council meetings in the dual role of councillor and representative of the Newcastle Branch.

NEWCASTLE BRANCH

The Newcastle Branch has a committee that organises local activities, including meetings, tours and outings. One member of the committee attends council meetings to ensure co-ordination between the branch and the council. Committee members are:

Branch Chairman: Glen Magee

Branch Secretary: John Barnes

Committee: Howard Civill (deceased October 09), Tony Lowther, Ray Power and Spencer Ross

STAFF

The following people are employed by the Society:

Full Time -

Ross Verdich General Manager

Chris Walters *Railway Digest* Editor (to April 2010)/Bruce Belbin (from May 2010)

David Wynter Resources Manager and *Australian Railway History* Editor

Bill Kerr Bookshop Manager (to May 2010)/Chris Harding (from June 2010)

Part Time -

John Clifton Webmaster

John Hoyle *Railway Digest* Specialist Editor

Chris Harding Bookshop Assistant Manager (to May 2010)

Shane O'Neil Editorial Assistant and Bookshop Sales

Ken Williams RRC Senior Research Officer

Richard Whitford *Australian Railway History* Assistant Editor

LIFE MEMBERS

Tony Bailey

Ian Brady

John Glastonbury

John Hoyle

Peter Neve

Ray Power

Dr Robert Taaffe

John Barnes

Kenneth Butt

Alexander Grunbach

Geoffrey Lillico

John Newland

Spencer Ross

Grahame Thurling

John Beckhaus

Joseph Davis

Donald Hagarty

Glen Magee

John Oakes

Dr Stuart Sharp

Eric Walkley

Terence Boardman

George Gettens

Graham Harper

Barry Millner

Ray Pickard

Colin Short

RRC TRUST

Members of the RRC trust met regularly throughout the year: The trust members are:

Terence Boardman (Chairman)

Neville Pollard

John Ward

Donald Hagarty

Dr Stuart Sharp

Ken Williams

Ray Love (NSWRM nominee)

Allan Watson (Minute Secretary)

David Wynter

CREDITS & THANKS

The Council would like to acknowledge those listed below for their generous contributions of time and effort made to the Society's various activities during the year.

Harry Anneveld	Bookshop	Jim Longworth	ARH
Fred Appleton	Bookshop	Tony Lowther	Newcastle Branch Committee
Alan Bailey	RRC	Ross McClelland	Railway Digest
Tony Bailey	Bookshop	Tony McIlwain	RRC
Bernie Baker	Railway Digest	Bob McKillop	Publications, Author
Trish Baker	Railway Digest	Tony McMiles	Bookshop , RRC
Warren Baker	RRC	Frank McQuade	RRC
Ben Barnes	ARH, Publications, Speaker	Tom Marschall	Railway Digest
John Barnes	Newcastle Brch Sec./Treasurer	Glen Magee	Newcastle Branch Committee
John Beckhaus	Publications, Railway Digest	Rod Milne	Railway Digest, ARH
Graham Black	Speaker	Barry Millner	Membership
Barry Blair	Railway Digest	Neil Munro	RRC
Graeme Bolton	RRC	Peter Neve	ARH
Graham Boulton	Bookshop	Keith Newell	Bookshop
Ray Book	RRC	John Newland	Publications
John Brown	RRC	Kevin Noonan	RRC
Gordon Burr	RRC	John Oakes	Publications, Tour Guide
Colin Butcher	Slide Competition	Richard Parry	Bookshop
Graham Byrne	RRC	Dennis Pate	RRC
Ken Butt	Tours	Brad Peadon	Railway Digest
David Campbell	Railway Digest	Ray Pickard	Financial, RRC, ARH, Mailing
Peter Clark	Railway Digest	Ray Power	Newcastle Branch Committee
John Clifton	Bookshop	John Roberts	RRC
Bob Daniel	Bookshop	Hans Schoevers	RRC
Ken Date	Railway Digest	Peter Sellars	ARH
Ian Dixon	RRC	Peter Stock	RRC
Kevin Dodds	RRC	Stuart Sharp	RRC, Luncheon Club, Speaker
Trevor Edmonds	ARH	Alan Smith	RRC
Arthur Ellis	RRC, Tour Guide	Ivar Sorrasson	Bookshop
Graham Fry	RRC	Bob Stack	ARH, Railway Digest, Publications
Bob Gibson	Railway Digest	Leigh Stokes	RRC
Colin Gilbertson	Bookshop	Alex Stoney	Speaker
Clive Gillam	RRC	Bob Taaffe	ARH, RRC
Phil Griffiths	Slide Competition	Myrle Tanner	Bookshop
Alex Grunbach	ARH, Publications	John Temple	Railway Digest
Don Hagarty	RRC	Michael Thompson	RRC
Stephen Halgren	Author	Ed Tonks	Speaker, Tour Guide
Chris Harding	Publications	Len Truscott	RRC
Bill Harrison	Bookshop	Darren Tulk	ARH, Railway Digest
Derek Hobbs	RRC	John Ward	RRC, Speaker
Gary Hughes	Luncheon Club	John Watkins	RRC
Michael James	Railway Digest	Allan Watson	RRC
Evan Jasper	Railway Digest	Alan Websdale	RRC
Greg Jeanes	Bookshop	Ron White	RRC
Jim Jones	RRC	David Whiteford	ARH , Railway Digest
Bernie le Breton	RRC	Richard Whitford	Computers
Geoff Lillico	RRC, ARH, Mailing	Jack Withford	RRC
Ray Love	RRC, ARH	Ken Williams	RRC
Maikha Ly	Railway Digest	Tony Woodland	RRC
Bill Laidlaw	Speaker		

PRESIDENT'S OVERVIEW

I always look forward to seeing the Society's Annual Report. It not only discloses our financial position, but, more importantly, what has been achieved over the previous year. It also records the history of the Society. Whilst we are an historical society, it is remarkable that we have very little sense of our own history, and little by way of records pertaining to the pre 1967 history of the Society. For the many workers for the Society, both paid and volunteer, it seems that we are just going about our duties during the year. But the Annual Report helps us to put it into perspective and see that we are in fact achieving things.

Perhaps the area where this is most obvious is the Railway Resource Centre (RRC). The task ahead in that area can seem overwhelming. Many dedicated volunteers are working on several projects that seem to be never ending. But these projects are being tackled and progress is being made. These include indexing of photographs and slides (nearly 100,000 done and as many to go), scanning of photographs and slides (nearly 50,000 done and 150,000 to go), cataloguing of books etc in our collection (at this stage how many is anyone's guess until the work has progressed further), scanning, and making available digitally in an electronically searchable form, magazines, reports, timetables, appendices and all the other myriad of documents pertaining to railways (over 100 Gigabytes done with at least as much to go), not to mention drawings, plans etc which have not yet been started.

We have a dedicated team in the RRC, many of whom are retired and getting on in years but still keen and effective. But it is not all just work. Working on the many images and documents in the RRC can be interesting and bring back memories of times past, and then there is the social interaction with people with like interests. What a great way to fill in time in retirement. But we could always do with more volunteers. David Wynter (our Resources Manager) rosters volunteers to suit their times and our resources (space, work areas, computers etc). The RRC area was rewired last year (both for power and Ethernet) to provide for expansion in the workforce. It would be great if we had to twist our Treasurer's arm to allow purchase of more equipment to accommodate more volunteers. Could you be who we are looking for?

In talking about the RRC volunteers above, I am in no way forgetting the other large number of volunteers that keep the Society

running. Whilst we have a core of paid staff, by far the bulk of work is done by the volunteers. Our two magazines each have a dedicated band who make them possible. Railway Digest in particular has over 60 'reporters' who voluntarily send in news, photographs and articles. Volunteers in the shop, whilst not being directly involved in historical pursuits, are, in fact, playing a vital role in raising funds to pay for the Society's operations.

And, of course, there is GT (Grahame Thurling). Prior to his retirement he was a serious volunteer, running our tunnel and Sydney Central tours as well as other activities. But since his retirement, GT has worked tirelessly at our Redfern office, supporting the shop, the RRC and general administration. He also spends time at the shop each day. Overall, Grahame works six days a week, often for ten hours a day, for the Society, and without seeking credit. Although happening after the end of the year under review, it is appropriate to mention here that we nominated Grahame for the Railcorp/Office of Rail Heritage volunteer awards in the category of Lifetime Achievement. I am very pleased to report that he was selected for this award, and it was presented to him by the Minister of Transport and the CEO of Railcorp at a ceremony at the Powerhouse Museum on 26 July 2010.

It is good to see our volunteers being recognised in this way (the RRC team previously won an award for Customer Service).

But there is another area of volunteering that is becoming of concern. Elsewhere in this annual report, details of your ten councillors are shown. A bit of simple arithmetic shows that their average age is 66.5 years, with three over 70 and only one below 60. If the Society is to have continuity, it is critical that we get new and younger councillors. The Society needs to move into the Internet age. Whilst us older members are trying to approach it, it really takes the younger generation to fully appreciate what can be done in this new world. I am happy to report, however, that a younger member has expressed interest in becoming a councillor, and he has been invited to attend Council meetings to see what goes on and await a vacancy when he could be appointed or elected to Council. This is a significant development, and is, I hope, the start of a trend.

On another subject, it was recently announced that we are to restrict very long articles (often spread over several issues over

many months) that appear in *Australian Railway History*. Let me assure you that the Society will still encourage such larger historical research projects, and will seek to publish them in another format (probably electronically, and with more material than would be possible in the paper magazine) and have hard copies available in the RRC for future researchers. The policy will be administered flexibly, and authors should contact the ARH Editor when contemplating an article to seek guidance.

We were sorry to lose Chris Walters as our *Railway Digest* editor and all round contributor to the Society's activities at the end of the year. We understand Chris' reasons for resigning and wish him well in his new employment. Meanwhile, we are more than happy to still have him on board for specific projects and as a contributor to our publications. We have been fortunate to have Bruce Belbin come on board as his successor.

It is pleasing that our financial surplus has held up for another year. Our Treasurer is ever vigilant to ensure that our expenditure is controlled and justified. Care will need to be exercised over the coming year as there are signs that our shop operation will be under the same pressure as other retailers due to the current economic circumstances. It is critical that the bottom line remain healthy if the Society is to continue and fulfil its obligation to record and conserve historical documents. Changes in publishing procedures have resulted in better financial returns from our publishing activities (basically taking advantage of improved printing technology that allows smaller print runs at economic costs).

Tours activities have grown during the year, with four major tours undertaken (to Norfolk Island, to North Queensland [two] and to New Zealand), as well as the usual mix of local tours. There will now be bit of a break in the major tours (probably until towards the end of 2011) to give Spencer (and the participants' bank accounts!) a break.



TOURS

The Society ventured into the extended tour market with a heritage tour to Norfolk Island in May 2009. Our next, was the very successful 16-day North Queensland tours that were so well patronized that two divisions were run. Then in March was the great 12-day NZ South Island and Wellington tour.

All the tours were well patronised and the Society has been encouraged to look at further expanding this market in the future. Thanks must be given to Tony Bailey at Mercury World Travel for his assistance in the preparation of the North Queensland and NZ tours.

All together there were fifteen tours and outings organized during the year. The variety of tours members and their guests have enjoyed are listed on page 12.

Again we were involved in joint activities with main line operating organisations, ARHS Qld Division, The Rail Motor Society, NSW RTM's Heritage Express and The Powerhouse Museum Repository at Castle Hill together with the vintage bus from the Sydney Bus and Truck Museum at Tempe. Our special thanks to ARHS Qld Division for their wonderful hospitality on the Winelander Tour from Brisbane to Wallan-garra in February 2010. A tour we are recommending again in our program for 2011.

We would also once again like to commend, The Rail Motor Society, its crews and volunteers for the continuing excellent service it provides for our tours.

The June Long Weekend tour in the RMS's CPHs continues to enjoy regular patronage with some travelling for their ninth trip with us. The 2009 tour was extended to four days and based at Parkes for the first two nights and Cowra for the third night. The tour travelled to Roto on the Broken Hill Line and took the advantage of traveling to Cowra via Demondrille before that line was closed.

Thanks also to the Tours Committee, Ken Butt, Bob Daniel, Grahame Thurling, Ross Verdich for their assistance. Our thanks also go to Kevin Dodd, John Oakes and Ed Tonks for their special efforts in acting as our tour guides on their special tours.

Suggestions for tours are always welcome. If any member is interested in joining the Tours Committee, please contact the Tours Officer or any member of the bookshop staff. Your interest will be greatly appreciated.

AUSTRALIAN RAILWAY HISTORY

The *Australian Railway History* magazine continued its evolution during the subscription year 2009/2010. Six 32-page, four 40-page and two 48-page magazines were produced with many varying articles by new and established authors.

Editorial duties continued to remain the responsibility of David Wynter, while Richard Whitford continued to perform layout and design duties. Magazine staff Chris Walters and Shane O'Neil continued editorial input and proof readers Peter Sellars, Darren Tulk, Graham Harper, Geoff Lilloco, Ray Pickard, Ross Verdich, Ray Love, Alex Grunbach and other specialists provided valuable support.

Magazine sales have shown a gradual increase when the rises and dips for the past year are averaged. This has been satisfying to the editorial team who have been endeavouring to try some new ideas to increase sales. Every effort is being made to try and balance out the stories in each edition. Unfortunately, even though several appeals have been made, articles continue to be mainly NSW based. Input from other states remains at a trickle and sometimes the quality of items means they do not meet the magazine's high editorial standards. The larger (48 page) issues showed a noticeable sales increase on the newsstands. Sales of supplied newsagent copies tended to be over the 50% mark – considered excellent in the magazine industry.

The Victorian Division decided to approach ARHSnsw to carry material while their Council considered a possible re-structure of *Newsrail* magazine. This continued for four months and provided our magazine with Victorian content for that time. The Victorian Division purchased extra *ARH* copies for distribution amongst their membership during this time.

Much consideration has been given to accepting longer articles that often have to be split up and run through several editions. Often these longer articles can cause others to be dropped due to space limitations and there is opinion that some readers turn away from continual ongoing material. A decision has been made that will generally limit acceptance of all articles to around 6,000 words resulting in about 10 pages of laid out material including photographs and charts etc. Council had

decided that because there is still a need to retain longer articles for their significant interest, authors will be asked to submit a short article for *ARH* and provide the full version as well which will be laid out and available via our website in its entirety. A full version would also be printed and kept as research material in the Railway Resource Centre.

Authors this year have included: Jim Longworth, Neville Pollard, Rod Milne, Max Michel, Chris Walters, Ben Barnes, Ken Williams, David Clark, Peter Clark, Bob McKillop, John Buckland, Leon Oberg, David Macartney, Geoff Moss, Frank McQuade, Ray Pickard, Geoff Lilloco, Graham Harper, Ian Jenkin, Trevor Edmonds, Jim Stokes and Roy Howarth.

RAILWAY DIGEST

Throughout the year, *Railway Digest* continued to maintain a strong and consistent sales level at the newsstand, and this endured into 2010. Policy to ensure a high-quality store of material also continues, and in some cases features. As indicated in last year's report, news is the magazine's forte and the strongest determinant of future content. Thus pre-planned features and material are monitored for their topicality.

During the year, the retail release date for both *Railway Digest* and *Australian Railway History* were moved ahead by one week.

Towards the end of the financial year, Editor Chris Walters decided to step down from his full time role, citing burn-out as the public face of the magazine. The transition period was made remarkable smooth by the magazine benefiting from the immense good fortune of having *Light Railways* magazine 'alumni' Bruce Belbin take over as Editor of *Railway Digest*. Chris continues to support the magazine in voluntary capacity as a regular contributor and news reporter.

The 'Northern Division' of John Hoyle (News and National Affairs) and Darren Tulk (Proofer and Copy Editor) continue to fly the *Railway Digest* flag in Brisbane—one of the magazine's strongest demographics—while Richard Whitford also assists in Redfern. Upon the departure of Chris Walters, former Magazine Office assistant Shane O'Neil was promoted to Assistant Editor to Bruce, and has built upon his pre-existing vital role with increased editorial responsibility and input.

The last year has seen a number of new contributors make a name for themselves within the pages of the magazine, as others

have become more regular in their support. Notable volunteer contributors include David Campbell, Peter Clark, Ken Date, Michael James, Evan Jasper, Ewan McLean, Maikha Ly and Trent Nicholson, among others.

What is particularly promising is that there is a generally increasing awareness of, and involvement in the magazine amongst younger rail enthusiasts and railway industry representatives. Without this support there would be no Railway Digest.

Thanks go to the Society's Council, management and staff for their continuing encouragement and assistance as well as to our contributors, volunteers and readers for their ongoing loyalty and support of the magazine

OTHER PUBLICATIONS

The Publications Committee held meetings over the reporting period May 2009 to April 2010. As reported in past years, some manuscripts are under long term active development and are subject to funding and publishing commitments. Others have been deferred from further progress for the time being for many reasons such as the need for further research.

A small but significant publishing schedule was maintained during the past year and within the economic circumstances of the time. The books published were:

In September 2009 a reprint of *A Century of Central* by R McKillop, D Ellsmore and J Oakes.

A book by Jim Longworth titled *Boilers, Beauforts and Bogies—Chullora Locomotive and Rolling Stock Workshops: 1913–2000* relating to the NSW Department of Railways' very extensive workshops at Chullora was also published in September. A book launch was held on Friday 9 October 2009 at Chullora where Rob Mason, Chief Executive Officer of RailCorp was the principal speaker. The book covers the workshop operations prior to the Second World War, during the Second World War for armaments manufacture, and for work in the post-war boom period with modernisation of the complex into the diesel-electric era. The book is also a social history study and describes the human aspects of the workers for the time at Chullora.

A Guide to Australian Heritage Trains and Railway Museums - a revised reprint of an earlier book by Bob McKillop was published in April 2010 and was subject to the tyranny of change. Museums and like organizations and societies and special interest groups come and go which affect the content immediacy. Considerable work has been undertaken to ready the book

for publication but had been subject to delays due to last minute updates to the text.

Further John Oakes' books in the Sydney's Forgotten Railway series titled *Sydney's Forgotten Industrial Railways* and *Sydney's Forgotten City Railways* have also been released and reprinted in September 2009 along with a reprint of *Sydney's Forgotten Illawarra Railways*. A further reprint of *Sydney's Forgotten Military Railways* is in preparation.

A second book by Brian Andrews in the Coal, Railways and Mines series, *Coal, Railways and Mines - The Colliery Railways of the Newcastle District and the Early Coal Shipping Facilities* was finalised with the publication of the two volume set in December 2009 and will prove to be the definitive work on the Newcastle collieries and coal lines. This is the first occasion a two volume work has been published by the Division. The amount of information and diagrams meant the only option was to have it published in two volumes to do justice to the research of the author. The two volume set follows the format contained in Brian's previous publication, *Coal Railways and Mines - The Story of the Railways and Collieries of J & A Brown*.

Another book by Jim Longworth titled *Triking the Length—a Short History of Railway Track Vehicles in NSW: 1855–1984* is in production and nearing publication. There are no other books on this subject and publication should fill a niche market on the history of these very interesting vehicles.

As in past years sincere thanks are extended to all members of the Publications Committee, the Division's Railway Resource Centre, divisional members and many others for their generous assistance and contribution to the Division's publications activities. All participation and assistance is gratefully acknowledged.



FOR ALL WHO ARE INTERESTED IN RAILWAYS

RAILWAY RESOURCE CENTRE

The reporting year continued the trend developed the previous year showing good financial returns for the Railway Resource Centre with gross income of about \$17,500.

This was an increase of approximately 20% over last year (which also contained several high income jobs), so we are extremely happy with this result.

David Wynter ARHSnsw's Resources Manager continued to supervise the area three and a half days a week while giving one and a half days a week to his other job as Editor of Australian Railway History. Senior research Officer Ken Williams and Administration Officer Ian Dixon supervised the area while David was working on the magazine. Additionally, Ken donated an extra day of his time per week to bring important copyright material up to date. The area of copyright as it affects the RRC is extremely important and with recent changes to legislation, Ken's work in this area has been invaluable to the Society. Ken has designed a series of forms that are required to be filled out by customers through mail, email, letters and at our counter.

The RRC responded to 619 enquiries during the reporting period which represented a drop of approximately 9.5% over those of the previous year. These were made up as follows:

Private Research	431
ARHS Publications	68
Commercial	65
Family History *	20
Other Historical Society Publications	11
Other Purposes	24

[*The RRC does not hold information on family histories and clients are usually re-directed to either State Records at Kingswood, RailCorp's FOI office or the State Library of NSW. The above figure in this category represents work done where a client would require railway based information after following up their relative.]

Business on Tuesdays in the RRC remains brisk however Saturday visits from customer has been declining. Other research work is being allocated wherever possible to Saturday volunteers to utilize their valuable services.

In October, Research Officer Geoff Lillico volunteered to the task of revising and updating the RRC Intranet which has been dormant since 2007. This is a powerful research tool and will eventually provide a "backbone" of material to Research Officers and visitors to the Reading Room. This work initially focussed on making a fresh approach to the Index page which had become somewhat disjointed.

He then sought other already digitised files which were on hand at the RRC, but not incorporated on to the material then available for perusal. Subsequently, material available from RailCorp and A.R.T.C. Internet sites such as recent Special Train Notices, Safe Notices and publicity publications has been added. Life Member, Bob Taaffe, is currently undertaking a vigorous program of scanning further material to be added in the year ahead. Geoff has undertaken other scanning to augment Bob's work.

Don Hagarty continued his work on creating a User Manual for RRC staff's guidance.

A limited number of Research Officers continue to provide volunteer assistance at our overflow facility in Alexandria. Their tireless work has been much appreciated in identifying material for future cataloguing so that a parallel data base can be created with Redfern. This is a big undertaking as the material is stored on two levels of the Alexandria complex, none of which has ever been catalogued. Recently a new computer was purchased for the facility and a VPN (Virtual Private Network) was established using carrier TPG. This is being set up to enable totally free transfer of files between Redfern and Alexandria so the above process can begin. More volunteers are required at Alexandria if we are to even make any dent in this workload.

The RRC provided images to help promote the Society at the Model Train Exhibition held at Liverpool over the October long weekend.

Research Officers continue to scan and identify photographs so these may be stored digitally for future generations. There are thousands of photographs at both Redfern and Alexandria that need to be treated in this manner and vacancies exist for any Volunteer that can help our team with this work.

Donations continued at a steady pace with material that is extremely valuable to the society. Research Officers have been kept busy with identifying this material and sending some to Alexandria if it duplicates Redfern. Some donated material has been sent directly to Alexandria for later sorting as no space remains at Redfern for this work to be done.

RRC Research Officer management meetings were held on 30 Sep 2009 and 29 April 2010. RRC Trust meetings were held on 14 May, 30 September, 17 November 2009 and 18 February 2010.

COMMERCIAL

The bookshop at Rail Heritage Central has continued to trend strongly in the face of tightening economic activity in retail across the nation. Annual sales grew modestly but considering that our outlook in 2008/09 projected a decline in sales, this is a very good result.

International books and DVDs have benefited from favourable exchange rates, and bookshop management under Bill Kerr and Chris Harding has worked closely with suppliers to ensure that the best price possible has been obtained. Many new titles have appeared on the shelves and slow selling items have been phased out.

Although trading days are Monday to Saturday, we have coincided some Sunday trading with special events held at Central station. We were also present at the two major model shows at Broadmeadow and Liverpool. The extra effort put in by our volunteers over these weekends is to be commended.

Situated in the precinct of the original booking office, the bookshop continues in its unofficial role of enquiry point for ticket sales, booked luggage and tourist information.

The shop would not have functioned without the help of dedicated weekday volunteers Ivar Sorrason, Graham Boulton, Myrle Tanner, Keith Newell, Harry Anneveld, Tony McMiles, Bill Harrison, and a dedicated team of Saturday volunteers.

Chris Harding actively promotes the Society and bookshop in a monthly guest spot on Western Suburbs radio 99.9FM.

[Subsequent to this report, the bookshop manager Bill Kerr resigned due to ill-health in June. We all hope he can overcome his health problems and wish him all the best for the future.]



FINANCE

The net surplus for the year ended 30 April 2010 amounted to \$119,838- slightly ahead of the previous year.

This year's results were affected by the Rail Heritage Central Bookshop site license fee of \$16,240 and planned expenditure for archive restoration \$27,994 (\$9,443 net from the Provision Account).

Gross turnover from all sources exceeded \$2.1million. Major contributors were Railway Digest \$588,000 and Australian Railway History \$121,000. Income from tour operations netted \$28,500.

A positive cash flow during the 2009-10 year enhanced our cash deposits to \$316,252. The net worth of the Society is now \$1.942 million.

RAILWAY LUNCHEON CLUB

The Railway Luncheon Club was formed in early 2009. It provides a daytime opportunity for members and their guests to talk with other members on any aspect of railways. Meetings are held on the third Wednesday of every month. The core activity is usually a station inspection and the convenors arrange for the members to be addressed by a CityRail or RailCorp official. Informative and comprehensive notes are supplied. After the formal inspection the members take lunch at a nearby hotel or club. Over the past year the daytime meetings continued to be a great success with attendances averaging 30 to 35 people.

From May 2009 to April 2010 visits were made to:

Hornsby Station	(May)
Parramatta Station	(June)
Newcastle Station	(July)
East Hills Station	(August)
Mortdale Station	(September)
Fairfield Station	(October)
Penrith Station	(November)
Homebush Signal Control Centre	(Dec)
ARHSnsw Redfern	(January)
Sutherland Station & Signal Box	(Feb)
Canterbury Station	(March)
Denistone Station	(April)

Stuart Sharp and Gary Hughes are the convenors and tour leaders.

MEMBERSHIP & ADMINISTRATION

Society membership as at 30 April 2010 totalled 1404 - exactly the same as the previous year. The Society's Council has worked hard to ensure that members continue to receive good value for their subscriptions. The *Australian Railway History* subscription is the one important element of the membership together with tour and bookshop discounts and a Rail Resource Centre access fee concession.

Barry Millner continues with his enduring role as membership and subscriptions officer using the QA4 database. Although some progress with seeking a new database has been made, the complicated nature of our database requires customisation of any commercially available software to achieve what we have already with our well-out-of-date QA4 software. A very promising custom database has been evaluated but Council requires further investigation to ensure commercial alternatives are not available.

The installation of a server at Redfern was successfully carried out in July 2009. A VPN link to the bookshop and RRC at Alexandria has also been made. The installation was carried out by Warringah IT and they now also provide the IT backup for any problems and upgrades as required. Selected computers within Redfern will be replaced as required which means a leap from the Windows XP to Windows 7 operating system.

Off-site data storage continues to be implemented for both daily backups and archival digitisation. Direct backup to Alexandria is being investigated but the large files involved are problematic.

The Alexandria facility continues to receive more relocated material from the RRC at Redfern. Although this facility appears to be full to the first time viewer there are certain records which can be recycled once they are digitised. The Society is negotiating with a Centrelink employment contractor to allocate a team of workers to process the tens of thousands of large size plans on the mezzanine floor and within certain vertical plan cabinets located on the ground floor.

Some material that is surplus but having a retail value will be bought into Redfern and offered for sale. This material and the large number of second hand books and framed prints on hand at Redfern can be inspected and bought on the third Tuesday afternoon of each month between noon and 3pm.

NEWCASTLE

The Newcastle branch continued to enjoy good average attendances at our entertainment meetings; and as has been usual in recent years, the guest speakers were mostly drawn from among our own members and regular visitors.

Members of the branch again assisted with the Division's sales stand at the Our Town Exhibition at the Newcastle Jockey Club.

We were saddened in late October 2009 by the death, after several months of illness, of our Committee member Howard Civill.



2009-2010 SYDNEY MEMBERS' MEETINGS: SPEAKERS

May	Graham & Wendy Black	South African Steam
June	Stuart Sharp	NSW Station Names
July	John Ward	Sydney's Trams, Tramway Routes & Infrastructure
August	Alex Stoney	"A Life of Trains"
September	Stuart Sharp	The Grand NSW Railway Stations in the 19th Century
October	Nev Pollard	The Rock to Oatlands Branch
November	Ken Williams	The Railway comes to Epping, Carlingford & Beecroft
December	Ben Barnes	NSW Diesel Locomotive Liveries from 1944
January	DVD presentation	
February	Shane O'Neil	Darjeeling Railway visits in 1986 & 2009
March	John Ward	British canals and railways 1970 to 2005
April	Bill Laidlaw	Asian Metro Systems

2009-2010 NEWCASTLE MEMBERS' MEETINGS: SPEAKERS

May	Election of Officers, Photographic competition and Quiz	
June	Matthew Parr & Phil Harrison	Video presentation
July	Ed Tonks	The changing railway landscape and railway & tramway memorials
August	Phil Harrison	Slide presentation - recent NSW train operations
September	Howard Civill	American Railroads 1935-1970
October	Phil Harrison	Videos of heritage steam and present day diesels
November	Graham & Wendy Black	4472 Flying Scotsman in Australia in 1989
December	Members' slides	
January	Max Maughan	Branch line adventures on video
February	Ed Tonks	CFCLA's GL Class locomotives
March	Ron Drummond	NSW and Queensland railways in the 1960s
April	John Ward	British canals and railways 1970 to 2005

2009-2010 TOURS PROGRAM

16 to 23 May 2009	Norfolk Island History and Heritage Tour
30 May 2009	A walking Tour from Helensburgh to Waterfall
6 to 9 June 2009	Parkes, Roto and Cowra with The Rail Motor Society
11 & 12 July 2009	Another Look at the Mines and Lines of Newcastle with Ed Tonks
1 to 15 September 2009	North Queensland by Rail Tour 1st Division
13 to 28 October 2009	North Queensland by Rail Tour 2nd Division
7 November 2009	Blue Mountains Steam Flyer with the NSWRTM
12 December 2009	End of Year Function at the NSWRTM Valley Heights Roundhouse Museum and Steam Tram
17 January 2010	A Summer's Day on the South Coast to Nowra with The Rail Motor Society in 621/721
20 & 21 February 2010	ARHS Qld Division Winelander Tour to Wallan-Garra
19 to 30 March 2010	New Zealand South Island and Wellington Tour
30 April 2010	Powerhouse Museum Repository Tour at Castle Hill

AUSTRALIAN RAILWAY HISTORICAL SOCIETY

New South Wales Division

ACN 000 538 803

DIRECTORS' REPORT

Your Councillors submit this report on the Society for the financial year ended 30 April 2010.

1. The names and details of the Councillors in office during the year and to the date of this report, together with their areas of responsibility, year of original appointment/election and attendance at Council meetings held during the year to 30 April 2010, are:

Terence P Boardman. FCIT, JP. Age 75 years. Retired railway officer. Councillor since 1999 responsible for the Railway Resource Centre. Previously a Councillor 1970–1972, 1973–1975 and 1990–1997 (Secretary during the latter two periods).

Ian W Fathers. J.P., B. Leg. S (Macquarie). Age 64 years. Retired public servant. Councillor since 1999. Previously Councillor 1986 – 1990. Minute Secretary.

George W Gettens. Age 68 years. Retired bank officer. Councillor since 1997. Previously a Councillor and Treasurer 1967–1971 and 1986–1992, Secretary 1997–2001. President since 2009.

Murray C Harper. B.Comm., CPA. Age 70 years. Accountant. Councillor since 1994, Treasurer since 1996.

Francis P McQuade. Age 61 years. Retired boilermaker. Councillor since 2009.

Geoffery H Moss. Age 79 years. Retired NSW railway employee. Councillor since 2009.

Michael J Nicholls. Age 52 years. RailCorp employee. Councillor since September 2008.

Neville J Pollard. JP BA MEd. Dip. Theol. Teach. Cert. Age 64 years, Retired High School Principal. Education Consultant. Councillor since 2007.

Spencer C Ross. C.T.M., FCIT. Age 69 years. Bus consultant. Councillor since 2001 responsible for tours and representing the Newcastle Branch. Previously Councillor 1968–1971.

Grahame L Thurling. Age 63 years. Retired bank officer. Councillor since 1996 responsible for tours and exhibitions. Secretary since November 2004.

Directors' Meeting Attendance:

		<u>Number Eligible to Attend</u>	<u>Attended</u>
TP	Boardman	6	5
IW	Fathers	6	6
GW	Gettens	6	6
MC	Harper	6	5
FP	McQuade (from Sept 2009)	4	2
GH	Moss	6	5
MJ	Nicholls	6	6
NJ	Pollard	6	3
SC	Ross	6	5
GL	Thurling	6	6

(Continued)

AUSTRALIAN RAILWAY HISTORICAL SOCIETY

New South Wales Division

ACN 000 538 803

DIRECTORS' REPORT (Continued)

2. The principal activities of the Society during the financial year were publication of books and magazines recording railway history, the collection of records of interest to railway historians, the operation of a railway bookshop and the operation of railway tours. No significant change in the nature of these activities occurred during the year.

3. The net surplus of the Society for the financial year amounted to \$119,838.

4. No matters or circumstances have arisen since the end of the financial year that significantly affect or may significantly affect the operations of the Society in subsequent years.

5. The Society expects to maintain the present status and level of operations and hence there are no likely developments in the operations in future financial years.

6. The Society's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

7. The Society has paid premiums to insure each of the Councillors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of a Councillor of the Society, other than conduct involving a willful breach of duty in relation to the Society.

8. No person has applied for leave of the Court to bring proceedings on behalf of the Society or to intervene in any proceedings to which the Society is a party for the purpose of taking responsibility on behalf of the Society for all or part of those proceedings.

The Society was not a party to any such proceedings during the year.

Dated this 12th day of August 2010. Signed in accordance with a resolution of the Council.

GW Gettens

MC Harper

**AUSTRALIAN RAILWAY HISTORICAL SOCIETY
NEW SOUTH WALES DIVISION
ACN 000 538 803
INCOME STATEMENT FOR THE YEAR
ENDED 30 APRIL 2010**

	<u>Note</u>	<u>2010</u> \$	<u>2009</u> \$
Revenues from Ordinary Activities		1,780,496	1,695,166
Changes in Inventories		(6,632)	9,490
Membership Subscription Revenue		34,569	27,794
Interest Revenue		2,897	4,374
Direct Costs incurred in Receiving Revenues		(986,265)	(937,902)
Employee Expense		(448,502)	(377,189)
Depreciation Expense		(27,038)	(44,834)
Provision for Archive Restoration		9,443	(0)
Auditors Remuneration		(9,220)	(8,682)
Other Expenses from Ordinary Activities		(229,910)	(252,526)
		<hr/>	<hr/>
Surplus from Ordinary Activities before Income Tax	2	119,838	115,691
Income Tax relating to Activities	12	-	-
		<hr/>	<hr/>
Surplus from Activities		119,838	115,691
		<hr/> <hr/>	<hr/> <hr/>

The accompanying notes form part of these financial statements

**AUSTRALIAN RAILWAY HISTORICAL SOCIETY
NEW SOUTH WALES DIVISION
ACN 000 538 803
BALANCE SHEET AS AT 30 APRIL 2010**

	<u>Note</u>	<u>2010</u> \$	<u>2009</u> \$
Assets			
Current Assets			
Cash & Cash Equivalents	3	316,252	246,592
Receivables/Prepayments	4	113,916	139,223
Inventories	5	150,378	143,746
Total Current Assets		<hr/> <hr/> 580,546	<hr/> <hr/> 529,561
Investments			
Investment advance to Rail Motor Society	6	18,000	21,000
Property, Plant and Equipment	7	1,891,205	1,888,971
Total Non-Current Assets		<hr/> <hr/> 1,909,205	<hr/> <hr/> 1,909,971
Total Assets		<hr/> <hr/> 2,489,751	<hr/> <hr/> 2,439,532
Current Liabilities			
Payables	8	215,144	275,083
Income in Advance	9	227,770	228,007
Provisions	10	94,500	103,943
Total Current Liabilities		<hr/> <hr/> 537,414	<hr/> <hr/> 607,033
Non Current Liabilities			
Mortgage	11	9,391	9,391
Total Non Current Liabilities		<hr/> <hr/> 9,391	<hr/> <hr/> 9,391
Total Liabilities		<hr/> <hr/> 546,805	<hr/> <hr/> 616,424
Net Assets		<hr/> <hr/> 1,942,946	<hr/> <hr/> 1,823,108
Members' Funds			
Reserves		860,886	860,886
Retained Earnings		1,082,060	962,222
Total Members Funds		<hr/> <hr/> 1,942,946	<hr/> <hr/> 1,823,108

The accompanying notes form part of these financial statements.

**AUSTRALIAN RAILWAY HISTORICAL SOCIETY
NEW SOUTH WALES DIVISION
ACN 000 538 803
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 APRIL 2010**

	<u>Notes</u>	<u>2010</u> \$	<u>2009</u> \$
Cash Flows from Operating Activities			
Receipts from Customers		2,282,223	2,193,023
Payments to Suppliers and Employees		(2,189,188)	(1,970,924)
Interest Received		2,897	4,374
Net Cash provided by Operating Activities	13	<u>95,932</u>	<u>226,473</u>
Cash Flows from Investing Activities			
Purchases of Plant and Equipment & Property		(29,272)	(37,310)
Repayment of Investment		3,000	3,000
Mortgage Advance/Repayment		0	(30,000)
Net Cash used in Investing Activities		<u>(26,272)</u>	<u>(64,310)</u>
Net Increase/(Decrease) in Cash Held		69,660	162,163
Cash at Beginning of Financial Year		246,592	84,429
Cash at End of Financial Year	3	<u>316,252</u>	<u>246,592</u>

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2010**

	<u>Retained</u> <u>Profits</u>	<u>Capital</u> <u>Revaluation</u> <u>Reserve</u>	<u>Bequest</u> <u>Reserve</u>	<u>Capital</u> <u>Reserve</u>	<u>Total</u>
	\$	\$	\$	\$	\$
Balance 1 May 2008	846,531	688,622	31,544	140,720	1,707,417
Surplus attributed to Members	115,691				115,691
Balance 30 April 2009	962,222	688,622	31,544	140,720	1,823,108
Surplus attributed to Members	119,838				119,838
Balance 30 April 2010	<u>1,082,060</u>	<u>688,622</u>	<u>31,544</u>	<u>140,720</u>	<u>1,942,946</u>

The accompanying notes form part of these financial statements.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a special purpose financial report that has been prepared in accordance with the Corporations Act 2001.

The financial report is for the Australian Railway Historical Society New South Wales Division as an individual entity, incorporated and domiciled in Australia.

Basis of Preparation

The report has been prepared in accordance with the requirements of the Corporations Act 2001, and the following applicable Australian Accounting Standards and Australian Accounting Interpretations.

AASB 101: Presentation of Financial Statements;

AASB 107: Cash Flow Statements;

AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors;

AASB 110: Events after the Balance Sheet Date;

AASB 1004: Contributions;

AASB 1031: Materiality; and

AASB 1048: Interpretation and Application of Standards.

No other Accounting Standards, Accounting Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

Reporting Basis and Conversions

The financial report has been prepared on an accruals basis and is based on historical costs. It does not take into account changing money values or, except where stated, current valuations of non current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Accounting Policies

a. **Revenue**

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax (GST).

b. **Inventories**

Inventories are measured at the lower of cost and net realisable value.

Costs are assigned on first in first out basis and include expenditure incurred in acquiring the inventory and bringing it to its existing condition and location.

c. **Property, Plant and Equipment**

Each class of property, plant and equipment is carried at cost or fair values are indicated, less, where applicable, accumulated depreciation and impairment losses.

Property

Freehold land and buildings are shown at their fair value based on periodic, but at least triennial,

valuations by external independent valuers, less subsequent depreciation for buildings.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same class of asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over the asset's useful life to the economic entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Leasehold Improvements	33.3%
Plant and equipment	33.3%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

d. Impairment of Assets

At each reporting date, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Income Statement.

Where the future economic benefits of the asset are not primarily dependent upon on the assets ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of a class of asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

e. Employee Benefits

Provision is made for the entity's liability for employee benefits arising from services rendered by

These notes form part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2010

employees to Balance Sheet date. Employee benefits expected to be settled within one year together with benefits arising from wages, salaries and annual leave which may be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on costs.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

f. **Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

g. **Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

Cash flows are presented in the Cashflow Statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

h. **Income Tax**

No provision for income tax has been raised, as the entity is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

i. **Provisions**

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

j. **Comparative Figures**

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

k. **Critical Accounting Estimates and Judgments**

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

Key estimates – Impairment

The entity assesses impairment at each reporting date by evaluating conditions specific to the entity that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use or current replacement cost calculations performed in assessing recoverable amounts incorporate a number of key estimates.

The financial report was authorised for issue on 12 August 2010 by the board of directors.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2010

NOTE 2: PROFIT

	<u>2010</u>	<u>2009</u>
	\$	\$
After charging the following as an expense:		
Depreciation and Amortisation	27,038	44,834
Remuneration of auditor — audit or review	9,220	8,680

NOTE 3: CASH AND CASH EQUIVALENTS

	<u>2010</u>	<u>2009</u>
	\$	\$
Cash at bank	315,052	245,392
Cash on hand	1,200	1,200
	<u>316,252</u>	<u>246,592</u>

NOTE 4: TRADE AND OTHER RECEIVABLES

	<u>2010</u>	<u>2009</u>
	\$	\$
CURRENT		
Trade receivables	113,916	94,189
Prepayments	0	45,034
	<u>113,916</u>	<u>139,223</u>

NOTE 5: INVENTORIES

	<u>2010</u>	<u>2009</u>
	\$	\$
CURRENT (at cost)		
Stock – Retail Publications	113,788	119,084
– Society Book Publications	36,590	24,662
	<u>150,378</u>	<u>143,746</u>

NOTE 6: OTHER ASSETS

	<u>2010</u>	<u>2009</u>
	\$	\$
INVESTMENTS		
Rail Motor Society – Advance (interest free)	18,000	21,000

These notes form part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2010

NOTE 7: PROPERTY, PLANT AND EQUIPMENT

	2010	2009
	\$	\$
PROPERTY		
Freehold Land and Buildings		
- Redfern – at directors’ valuation	1,100,000	1,100,00
- Alexandria – at cost	759,247	759,247
	<u>1,859,247</u>	<u>1,859,247</u>
Leasehold Improvements		
-Rail Heritage Central Bookshop - at cost	59,678	59,678
Less amortisation	59,678	56,647
	<u>0</u>	<u>3,031</u>
PLANT AND EQUIPMENT		
Plant and equipment – at cost	112,419	135,778
Less accumulated depreciation	80,461	109,085
Total plant and equipment	<u>31,958</u>	<u>26,693</u>
Total property, plant and equipment	<u><u>1,891,205</u></u>	<u><u>1,888,971</u></u>

NOTE 8: TRADE AND OTHER PAYABLES

	2010	2009
	\$	\$
CURRENT		
Trade payables	159,587	236,663
Employee benefits	48,557	30,420
Audit Fees	7,000	8,000
	<u>215,144</u>	<u>275,083</u>

NOTE 9: INCOME IN ADVANCE

	2010	2009
	\$	\$
Subscriptions Prepaid	<u>227,770</u>	<u>228,007</u>

NOTE 10: PROVISIONS

	2010	2009
	\$	\$
CURRENT		
Archive Records Restoration	46,500	55,943
Building Maintenance	48,000	48,000
	<u>94,500</u>	<u>103,943</u>

NOTE 11: NON CURRENT LIABILITIES

	2010	2009
	\$	\$
Mortgage Advance ANZ Bank (Secured over property at Alexandria)	<u>9,391</u>	<u>9,391</u>

These notes form part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2010

NOTE 12: INCOME TAX

The Council of the Society is of the opinion that the Society is exempt from income tax under Section 50-10 of the Income Tax Assessment Act 1997. Tax effect accounting has not been adopted.

NOTE 13: CASH FLOW INFORMATION

Reconciliation of cash flow from operations with operating surplus after income tax	2010 \$	2009 \$
Surplus after income tax	119,838	115,691
Non cash flows in profit		
Depreciation and amortisation	27,038	44,834
Changes in assets and liabilities		
(Increase)/Decrease in receivables/prepayments	25,307	(21,802)
Increase/(Decrease) in subscriptions prepaid	(237)	56,009
(Increase)/Decrease in inventories	(6,632)	9,490
(Decrease)/Increase in provisions	(9,443)	(31,135)
(Decrease)/increase in trade and other payables	(59,939)	53,386
Cash flows (used in),/provided by operating activities	<u>95,932</u>	<u>226,473</u>

NOTE 14: CAPITAL MANAGEMENT

Management control the capital of the entity to ensure that adequate cash flows are generated to fund its services to ensure returns are maximised.

NOTE 15: ENTITY DETAILS

The registered office of the company is:

Australian Railway Historical Society New South Wales Division
67 Renwick Street REDFERN NSW 2016

The principal place of business is:

Australian Railway Historical Society New South Wales Division Bookshop
Rail Heritage Central, Sydney Central Station, HAYMARKET NSW 2000

NOTE 16: MEMBERS' GUARANTEE

The entity is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstandings and obligations of the company. At 30 April 2010 the number of members was 1,404.

DIRECTORS' DECLARATION

The directors of the company declare that:

- A. The financial statements and notes, as set out on pages 13 to 23, are in accordance with the Corporations Act 2001:
 - i. comply with Accounting Standards and the Corporations Regulations 2001; and
 - ii. give a true and fair view of the financial position as at 30 April 2010 and of the performance for the year ended on that date of the company.
- B. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

MC Harper (Director)
Dated this 12th day of August 2010

Independent Auditor's Report



To the members of Australian Railway Historical Society NSW Division

Report on the Financial Report

We have audited the accompanying financial report of Australian Railway Historical Society NSW Division, which comprises the balance sheet as at 30 April 2010, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the disclosing entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of Australian Railway Historical Society NSW Division on 3 August 2010, would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's Opinion

In our opinion the financial report of Australian Railway Historical Society NSW Division is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the disclosing entity's financial position as at 30 April 2010 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.

A handwritten signature in black ink that reads 'Macdonald'.

Robert David Macdonald

22 AUG 2010

McIntosh Bishop
Chartered Accountants

Level 4, 83 Mount Street
North Sydney 2060

P.O. Box 1903
North Sydney 2059

Tel: 02 9957 5567
Fax: 02 9556 9452

ABN: 11 727 713 700

Email: dmac@mcintoshbisp.com.au



McIntosh Bishop

Auditor's Independence Declaration

To the Board of Directors
Australian Railway Historical Society NSW Division

As auditor for the audit of the Australian Railway Historical Society NSW Division for the year ended 30 April 2010, I declare that, to the best of my knowledge and belief, there have been:

- i. no contraventions of the independence requirements of the Corporations Act in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

Robert David Macdonald
Partner
3 August 2010
Sydney

McIntosh Bishop
Chartered Accountants

Level 4, 83 Mount Street
North Sydney 2060

P.O. Box 1903
North Sydney 2059

Tel: 02 9957 5567
Fax: 02 9956 3157

ABN: 14 122 113 156

Email: dmac@mcintoshbishop.com.au

Limited liability by scheme approved under Professional Standards legislation